

FIGURES | HAWAII INDUSTRIAL | Q4 2025

# Hawaii Industrial: Strong Absorption Drives Market Tightening

▶ 1.9%  
Vacancy Rate

▲ 158,357  
SF Net Absorption

▶ 313,594  
SF Under Construction

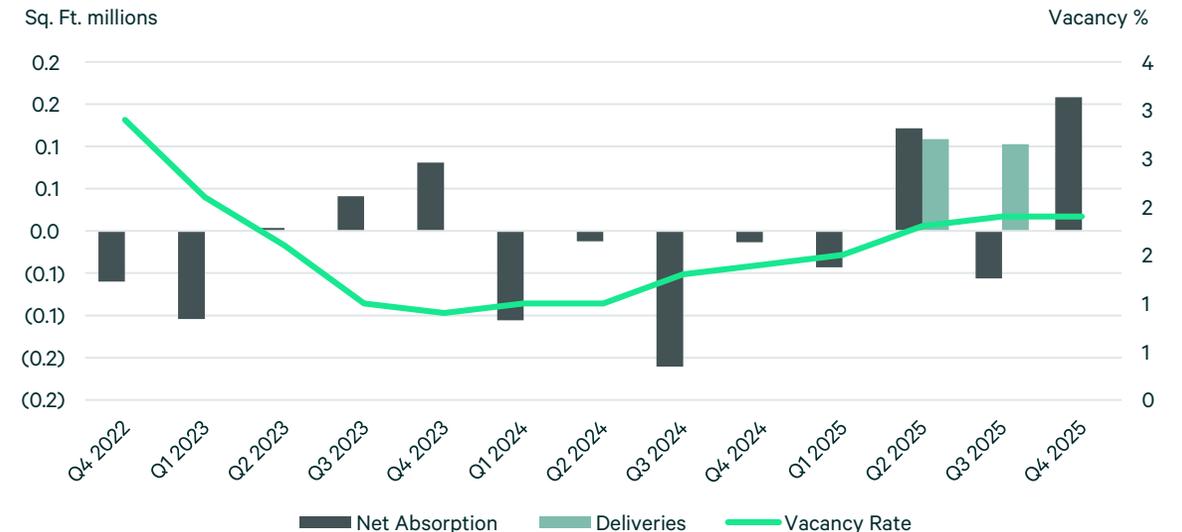
▼ \$1.73  
NNN/MTH Direct Lease Rate

Note: Arrows indicate change from previous quarter.

## SUMMARY

- **Availability tightens to 2.3% in Q4**
  - Total availability declined 10 bps from Q3, with direct availability at 2.1%.
- **Net absorption rebounds strongly in Q4**
  - The market recorded +158,357 SF, reversing -56,270 SF in Q3.
- **Asking rents hold flat at \$1.73/SF**
  - Net asking rates remained steady quarter-over-quarter, up 16.9% year-over-year.

FIGURE 1: Historical Absorption, Deliveries, and Vacancy



Source: CBRE Research, Q4 2025

## Availability Rate

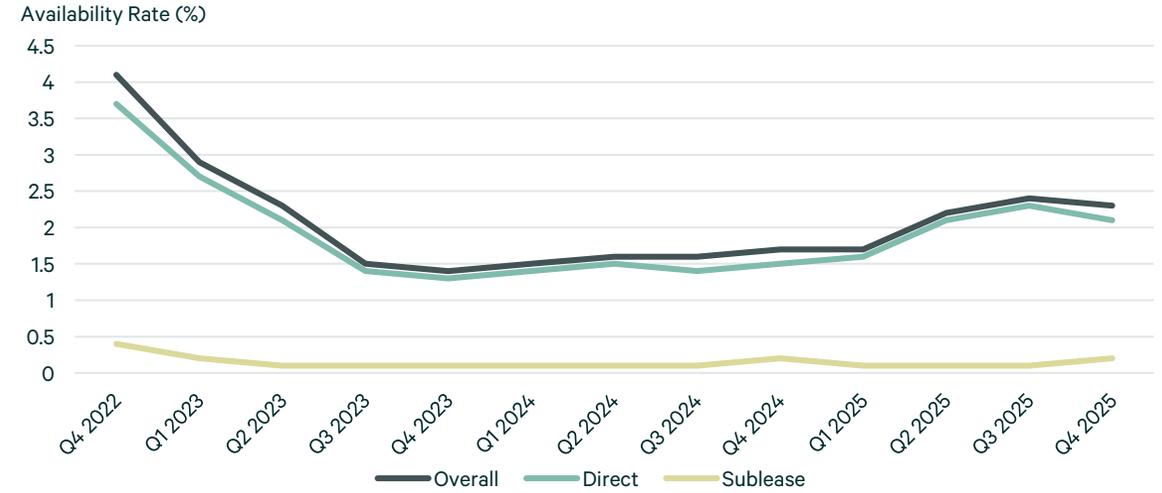
Hawaii's industrial market continued to demonstrate relative tightness in Q4 2025, with total availability edging down to 2.3%—a 10 basis point improvement from the previous quarter. While year-over-year comparisons show a 60-basis point uptick, the longer view tells a story of sustained compression: availability has fallen 180 basis points over the past three years.

Direct availability followed a similar pattern at 2.1%, ticking down 20 basis points from Q3 even as it registered a 60-basis point year-over-year increase. The three-year trajectory underscores ongoing market strength, with direct space tightening by 160 basis points since Q4 2022. Meanwhile, sublease availability held firm at 0.2%, remaining flat both quarter-over-quarter and year-over-year while staying below its three-year historical average.

## Asking Rent

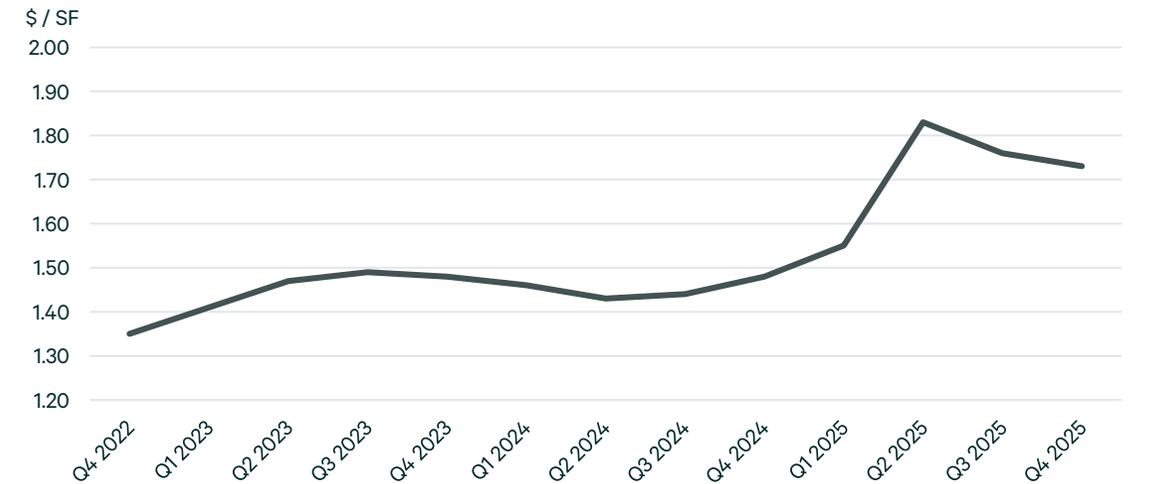
Average asking rent stood at \$1.73 per sq. ft. per month net in Q4 2025, holding flat from the previous quarter. Year-over-year growth remained robust at 16.9% (\$0.25), while the three-year trend shows even stronger appreciation with rents climbing 28.1% (\$0.38) since Q4 2022.

FIGURE 2: Availability Rates



Source: CBRE Research, Q4 2025

FIGURE 3: Avg. Direct Asking Rate (NNN/MTH)

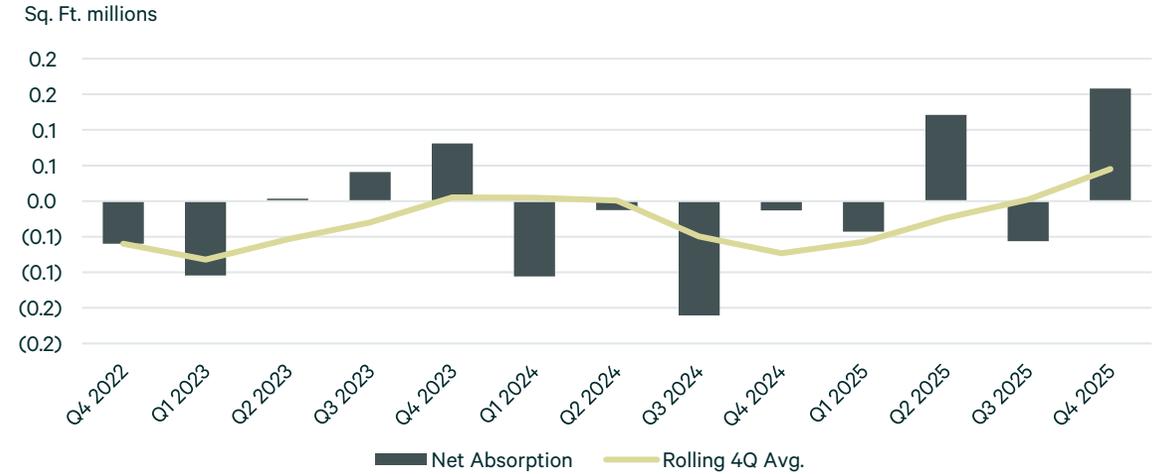


Source: CBRE Research, Q4 2025

## Net Absorption

Net absorption rebounded sharply in Q4 2025, reaching positive 158,357 sq. ft.—a significant turnaround from the previous quarter's negative 56,270 sq. ft. The annual view shows positive momentum, with net absorption totaling 180,325 sq. ft. over the last four quarters. However, the three-year cumulative picture reveals lingering softness, with net absorption registering negative 150,908 sq. ft. since Q4 2022.

FIGURE 4: Net Absorption Trend



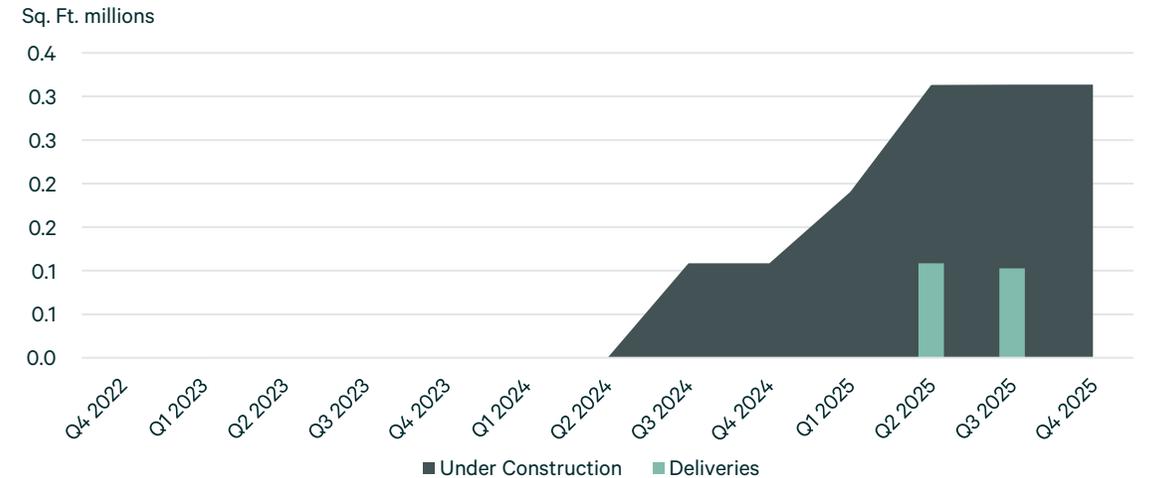
Source: CBRE Research, Q4 2025

## Construction Activity

Development activity remained steady in Q4 2025, with 4 projects underway totaling 313,594 sq. ft.—unchanged from the previous quarter. Year-over-year, the construction pipeline has expanded significantly from 108,617 sq. ft., marking a notable shift from three years ago when no projects were under construction.

No projects delivered in Q4 2025, a slowdown from the 102,545 sq. ft. that was completed in Q3. The broader delivery picture has been quiet, with no completions over the past year and no new construction delivered over the last three years.

FIGURE 5: Construction Activity

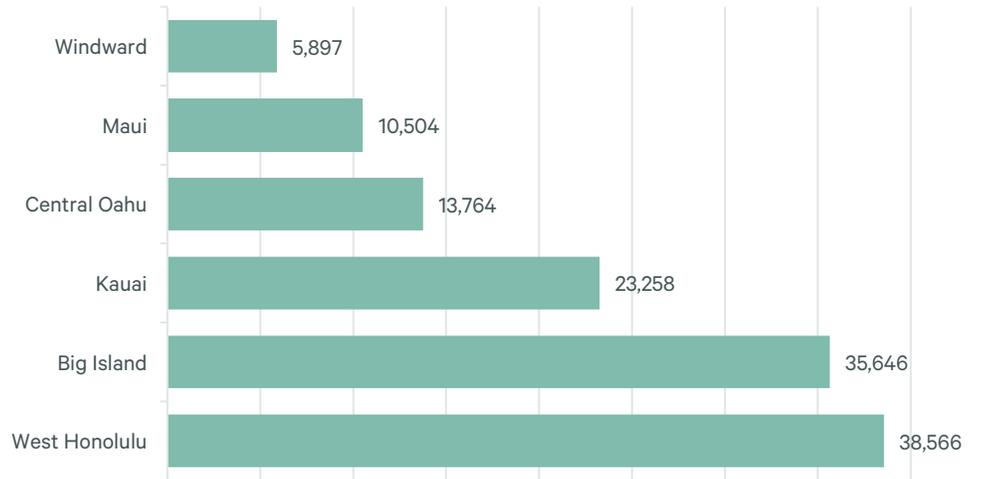


Source: CBRE Research, Q4 2025

## Leasing Activity

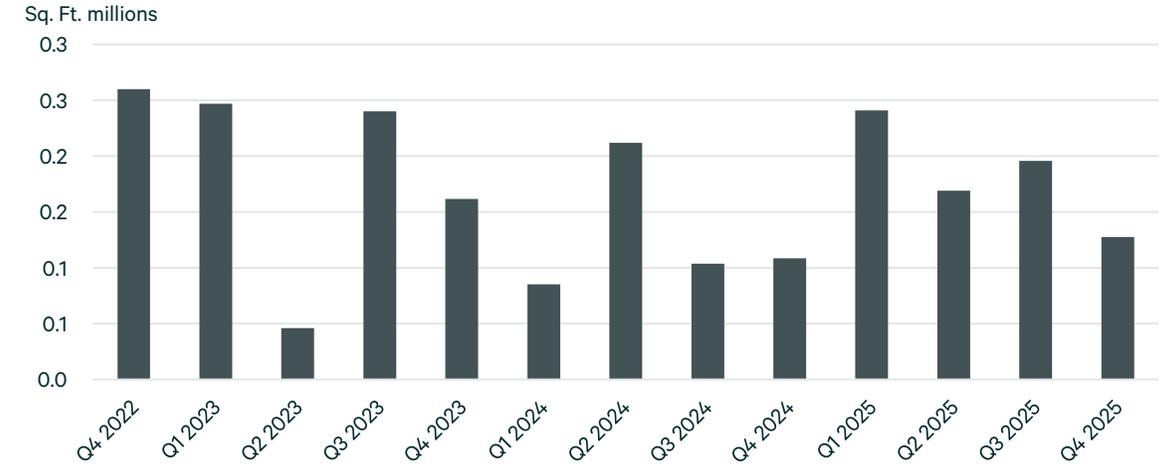
Leasing activity totaled 127,635 sq. ft. across 29 transactions in Q4 2025, representing a significant quarterly pullback of 67,942 sq. ft. from Q3 levels. Despite the near-term slowdown, year-over-year momentum remained positive with activity gaining 19,068 sq. ft. However, Q4 performance fell 24.5% short of the three-year quarterly average of 168,987 sq. ft., pointing to softer demand relative to historical norms.

FIGURE 6: Leasing Activity by Submarket – Leases 1,000 sq. ft. and up



Source: CBRE Research, Q4 2025

FIGURE 6: Leasing Activity Trend – Leases 1,000 sq. ft. and up



Source: CBRE Research, Q4 2025

FIGURE 8: Key Lease Transactions

Sq. Ft. Leased	Transaction Type	Submarket
14,719	New Lease	Big Island
12,087	Renewal	West Honolulu
8,429	New Lease	Kauai
8,200	New Lease	Big Island
7,930	New Lease	Kauai
6,899	New Lease	Kauai

Source: CBRE Research, Q4 2025

## Market Statistics by Size

	Net Rentable Area	Total Vacancy	Total Availability	Direct Availability	Sublease Availability	Avg. Direct Asking Rate (NNN/MTH)	Current Quarter Net Absorption	YTD Net Absorption	Deliveries	Under Construction
Under 100,000 sq. ft.	41,137,643	1.9	2.3	2.1	0.2	1.70	49,811	5,719	0	313,594
100,000-199,999 sq. ft.	8,499,519	1.4	1.7	1.0	0.6	1.78	114,281	205,530	0	0
200,000-299,999 sq. ft.	2,592,721	3.7	6.6	6.6	0.0	1.85	(5,735)	(15,982)	0	0
300,000-499,999 sq. ft.	1,677,983	0.9	0.9	0.9	0.0	-	0	(14,942)	0	0
500,000-749,999 sq. ft.	619,996	0.0	0.0	0.0	0.0	-	0	0	0	0
<b>Total</b>	<b>54,527,862</b>	<b>1.9</b>	<b>2.3</b>	<b>2.1</b>	<b>0.2</b>	<b>1.73</b>	<b>158,357</b>	<b>180,325</b>	<b>0</b>	<b>313,594</b>

## Market Statistics by Product Type

	Net Rentable Area	Total Vacancy	Total Availability	Direct Availability	Sublease Availability	Avg. Direct Asking Rate (NNN/MTH)	Current Quarter Net Absorption	YTD Net Absorption	Deliveries	Under Construction
Distribution / Logistics	53,899,353	1.8	2.2	2.0	0.1	1.72	161,357	183,325	0	223,182
Other Industrial	628,509	3.2	11.5	2.7	8.8	1.83	(3,000)	(3,000)	0	90,412
<b>Total</b>	<b>54,527,862</b>	<b>1.9</b>	<b>2.3</b>	<b>2.1</b>	<b>0.2</b>	<b>1.73</b>	<b>158,357</b>	<b>180,325</b>	<b>0</b>	<b>313,594</b>

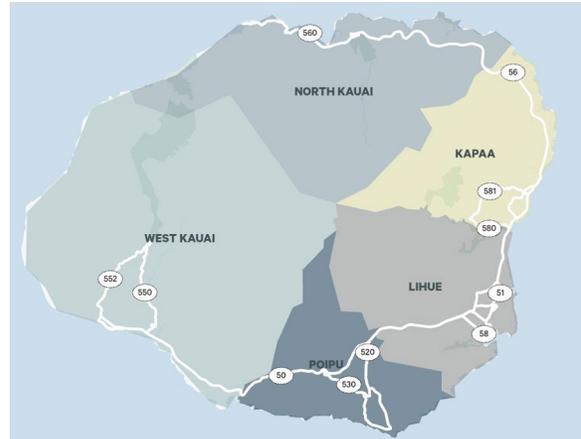
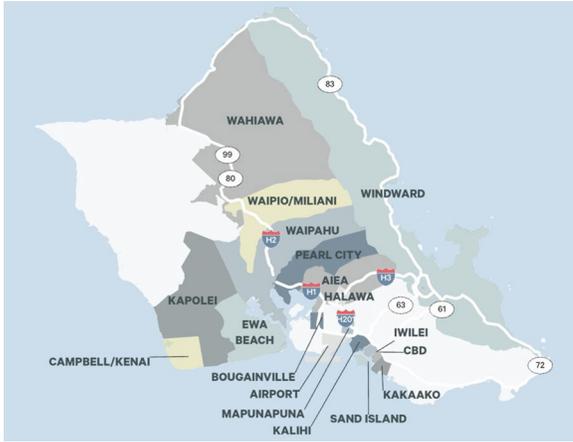
## Market Statistics by Class

	Net Rentable Area	Total Vacancy	Total Availability	Direct Availability	Sublease Availability	Avg. Direct Asking Rate (NNN/MTH)	Current Quarter Net Absorption	YTD Net Absorption	Deliveries	Under Construction
Class A	120,000	5.7	5.7	5.7	0.0	2.50	113,200	113,200	0	0
All Other Buildings	54,407,862	1.8	2.3	2.0	0.2	1.72	45,157	67,125	0	313,594
<b>Total</b>	<b>54,527,862</b>	<b>1.9</b>	<b>2.3</b>	<b>2.1</b>	<b>0.2</b>	<b>1.73</b>	<b>158,357</b>	<b>180,325</b>	<b>0</b>	<b>313,594</b>

## Market Statistics by Submarket

	Net Rentable Area	Total Vacancy	Total Availability	Direct Availability	Sublease Availability	Avg. Direct Asking Rate (NNN/MTH)	Current Quarter Net Absorption	YTD Net Absorption	Deliveries	Under Construction
Big Island	6,120,998	2.4	2.8	2.6	0.2	1.36	4,648	(43,515)	0	0
Central Oahu	10,174,567	1.6	1.8	1.6	0.2	1.67	9,408	(19,895)	0	0
East Honolulu	2,202,528	3.5	3.5	3.5	0.0	2.15	2,157	(312)	0	0
Kauai	1,785,334	0.4	0.4	0.4	0.0		21,540	2,901	0	0
Maui	8,122,530	1.1	1.1	1.0	0.1	1.98	92,194	86,408	0	0
West Honolulu	18,624,911	2.3	2.5	2.2	0.2	1.71	25,254	(23,722)	0	0
West Oahu	6,434,017	1.5	4.2	3.4	0.9	1.48	3,156	179,890	0	313,594
Windward	1,062,977	0.2	0.2	0.2	0.0	1.25	0	(1,430)	0	0
<b>Total</b>	<b>54,527,862</b>	<b>1.9</b>	<b>2.3</b>	<b>2.1</b>	<b>0.2</b>	<b>1.73</b>	<b>158,357</b>	<b>180,325</b>	<b>0</b>	<b>313,594</b>

**Market Area Overview**



**Definitions**

Available Sq. Ft.: Space in a building, ready for occupancy within six months; can be occupied or vacant. Availability Rate: Total Available Sq. Ft. divided by the total building Area. Average Asking Lease Rate: A calculated average that includes net and gross lease rate, weighted by their corresponding available square footage. Building Area: The total floor area sq. ft. of the building, typically taken at the “drip line” of the building. Gross Activity: All sale and lease transactions completed within a specified time period. Excludes investment sale transactions. Gross Lease Rate: Rent typically includes real property taxes, building insurance, and major maintenance. Net Absorption: The change in Occupied Sq. Ft. from one period to the next. Net Lease Rate: Rent excludes one or more of the “net” costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate. Occupied Sq. Ft.: Building Area not considered vacant. Vacancy Rate: Total Vacant Sq. Ft. divided by the total Building Area. Vacant Sq. Ft.: Space that can be occupied within 30 days. Class A industrial are buildings built after 2000, with 32’ or greater clear height and ESFR sprinklers.

**Contacts**

**Blair Bonuccelli**  
 Managing Director  
 Blair.Bonuccelli@cbre.com

**Zach DiSalvo**  
 Field Research Manager  
 Zach.DiSalvo@cbre.com

**George Egan**  
 Field Research Analyst  
 George.Egan@cbre.com

